

AMENDED IN SENATE AUGUST 17, 2016

AMENDED IN SENATE AUGUST 2, 2016

AMENDED IN SENATE JUNE 9, 2016

AMENDED IN ASSEMBLY MARCH 15, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2170

Introduced by Assembly Member Frazier

(Coauthors: Senators Hueso and Huff)

February 18, 2016

An act to amend Sections 2192 and 2192.2 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2170, as amended, Frazier. Trade Corridors Improvement Fund: federal funds.

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.

This bill would require revenues apportioned to the state from the National Highway Freight Program established by the federal Fixing

America's Surface Transportation Act to be allocated for trade corridor improvement projects approved pursuant to these provisions.

Existing law requires the commission, in determining projects eligible for funding, to consult various state freight and regional infrastructure and goods movement plans and the statewide port master plan.

This bill would delete consideration of the State Air Resources Board's Sustainable Freight Strategy and the statewide port master plan and would instead include consideration of the applicable port master plan ~~and, for the nonfederal funds, and the California Sustainable Freight Action Plan of July 2016~~ when determining eligible projects for funding. The bill would also expand eligible projects to include rail landside access improvements, landside freight access improvements to airports, and certain capital and operational improvements. *The bill would require the commission to use existing guidelines for the Trade Corridors Improvement Fund in allocating available funding but would authorize the commission to adopt amendments to the guidelines by April 1, 2017, and would impose various other requirements on the commission.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 2192 of the Streets and Highways Code
- 2 is amended to read:
- 3 2192. (a) (1) The Trade Corridors Improvement Fund, created
- 4 pursuant to subdivision (c) of Section 8879.23 of the Government
- 5 Code, is hereby continued in existence to receive revenues from
- 6 state sources other than the Highway Safety, Traffic Reduction,
- 7 Air Quality, and Port Security Bond Act of 2006.
- 8 (2) Revenues apportioned to the state under Section 167 of Title
- 9 23 of the United States Code from the National Highway Freight
- 10 Program, pursuant to the federal Fixing America's Surface
- 11 Transportation Act ("FAST Act"; Public Law 114-94) shall be
- 12 allocated for projects approved pursuant to this chapter.
- 13 (b) This chapter shall govern expenditure of those state and
- 14 federal revenues described in subdivision (a).
- 15 (c) The funding described in subdivision (a) shall be available
- 16 upon appropriation for allocation by the California Transportation
- 17 Commission for infrastructure improvements in this state on
- 18 federally designated Trade Corridors of National and Regional

1 Significance, on the Primary Freight Network, and along other
2 corridors that have a high volume of freight movement, as
3 determined by the commission. In determining the projects eligible
4 for funding, the commission shall consult the Transportation
5 Agency's state freight plan as described in Section 13978.8 of the
6 ~~Government Code, and the trade infrastructure and goods~~
7 ~~movement plan submitted to the commission by the Secretary of~~
8 ~~Transportation and the Secretary for Environmental Protection.~~
9 *Code and the California Sustainable Freight Action Plan released*
10 *in July 2016 pursuant to Executive Order B-32-15.* The commission
11 shall also consult trade infrastructure and goods movement plans
12 adopted by regional transportation planning agencies, adopted
13 regional transportation plans required by state and federal law, and
14 the applicable port master plan when determining eligible projects
15 for funding. ~~The commission shall also consult the California~~
16 ~~Sustainable Freight Action Plan when determining eligible projects~~
17 ~~for funding with funds other than those described in paragraph (2)~~
18 ~~of subdivision (a).~~ Eligible projects for the funding described in
19 subdivision (a) *shall further the state's economic, environmental,*
20 *and public health objectives and goals for freight policy, as*
21 *articulated in the plans to be consulted pursuant to this subdivision,*
22 *and may include, but are not limited to, all of the following:*

23 (1) Highway capacity improvements, rail landside access
24 improvements, landside freight access improvements to airports,
25 and operational improvements to more efficiently accommodate
26 the movement of freight, particularly for ingress and egress to and
27 from the state's land ports of entry, rail terminals, and seaports,
28 including navigable inland waterways used to transport freight
29 between seaports, land ports of entry, and airports, and to relieve
30 traffic congestion along major trade or goods movement corridors.

31 (2) Freight rail system improvements to enhance the ability to
32 move goods from seaports, land ports of entry, and airports to
33 warehousing and distribution centers throughout California,
34 including projects that separate rail lines from highway or local
35 road traffic, improve freight rail mobility through mountainous
36 regions, relocate rail switching yards, and other projects that
37 improve the efficiency and capacity of the rail freight system.

38 (3) Projects to enhance the capacity and efficiency of ports.

39 (4) Truck corridor and capital and operational improvements,
40 including dedicated truck facilities or truck toll facilities.

1 (5) Border capital and operational improvements that enhance
2 goods movement between California and Mexico and that
3 maximize the state's ability to access funds made available to the
4 state by federal law.

5 (6) Surface transportation and connector road improvements to
6 effectively facilitate the movement of goods, particularly for
7 ingress and egress to and from the state's land ports of entry,
8 airports, and seaports, to relieve traffic congestion along major
9 trade or goods movement corridors.

10 (d) (1) ~~Except as provided in paragraph (2), the~~ *In selecting*
11 *projects for inclusion in the program of projects to be funded with*
12 *funds described in subdivision (a), the commission shall evaluate*
13 *the total potential costs and total potential economic and*
14 *noneconomic benefits of the program to California's economy,*
15 *environment, and public health. The commission shall consult with*
16 *the State Air Resources Board in order to utilize the appropriate*
17 *models, techniques, and methods to develop the parameters for*
18 *evaluation of projects. The commission shall allocate the funding*
19 *described in subdivision (a) for trade infrastructure improvements*
20 *consistent with Section 8879.52 of the Government Code and the*
21 *Trade Corridors Improvement Fund (TCIF) Guidelines adopted*
22 *by the commission on November 27, 2007, or as amended by the*
23 *commission, and in a manner that (A) addresses the state's most*
24 *urgent needs, (B) balances the demands of various land ports of*
25 *entry, seaports, and airports, (C) provides reasonable geographic*
26 *balance between the state's regions, (D) places emphasis on*
27 *projects that improve trade corridor mobility and safety while*
28 *reducing emissions of diesel-particulate particulates, greenhouse*
29 *gases, and other pollutant emissions, pollutants, and reducing other*
30 *negative community impacts, and (E) makes a significant*
31 *contribution to the state's economy. The commission shall adopt*
32 *any amendments to the 2007 guidelines on or before April 1, 2017.*

33 ~~(2) The commission shall allocate the federal freight funding,~~
34 ~~specifically, pursuant to the original TCIF Guidelines, as adopted~~
35 ~~by the commission on November 27, 2007, and in the manner~~
36 ~~described in (A) to (E), inclusive, of paragraph (1).~~

37 (2) *In adopting amended guidelines, and developing and*
38 *adopting the program of projects, the commission shall do all of*
39 *the following:*

1 (A) *Accept nominations for projects to be included in the*
2 *program of projects from regional and local transportation*
3 *agencies and the Department of Transportation.*

4 (B) *Recognize the key role of the state in project identification*
5 *and support integrating statewide goods movement priorities into*
6 *the corridor approach.*

7 (C) *Make a finding that adoption and delivery of the program*
8 *of projects is in the public interest.*

9 (3) In addition, the commission shall also consider the following
10 factors when allocating these funds:

11 (A) “Velocity,” which means the speed by which large cargo
12 would travel from the land port of entry or seaport through the
13 distribution system.

14 (B) “Throughput,” which means the volume of cargo that would
15 move from the land port of entry or seaport through the distribution
16 system.

17 (C) “Reliability,” which means a reasonably consistent and
18 predictable amount of time for cargo to travel from one point to
19 another on any given day or at any given time in California.

20 (D) “Congestion reduction,” which means the reduction in
21 recurrent daily hours of delay to be achieved.

22 SEC. 2. Section 2192.2 of the Streets and Highways Code is
23 amended to read:

24 2192.2. The commission shall allocate funds made available
25 by this chapter to projects that have identified and committed
26 supplemental funding from appropriate local, federal, or private
27 sources. The commission shall determine the appropriate amount
28 of supplemental funding each project should have to be eligible
29 for moneys based on a project-by-project review and an assessment
30 of the project’s benefit to the state and the program. Funded
31 improvements shall have supplemental funding that is at least equal
32 to the amount of the contribution under this chapter. The
33 commission may give priority for funding to projects with higher
34 levels of committed supplemental funding.